

**SECOND AMENDMENT TO THE CONCESSION AGREEMENT BETWEEN THE  
CITY OF PALOS VERDES ESTATES AND THE PALOS VERDES TENNIS  
FOUNDATION**

This Second Amendment to the Concession Agreement between the City of Palos Verdes Estates and the Palos Verdes Tennis Foundation, dated January 28, 2003, is made and entered into by and between the City of Palos Verdes Estates, a municipal corporation (the "City") and the Palos Verdes Tennis Foundation, a California nonprofit mutual benefit corporation ("Foundation") and is made effective this 11<sup>th</sup> day of December, 2018 ("Effective Date").

**1. RECITALS.** This Amendment is made with reference to the following facts and objectives:

- A. The City currently owns certain property in Palos Verdes Estates located at 3303 Via Campesina, together with the buildings and improvements thereon (collectively, the "Premises").
- B. The Foundation has been operating the Palos Verdes Tennis Club at the Premises, as well as operating and maintaining the Premises for the benefit of the public, pursuant to a concession agreement since 1979; the current concession agreement is dated January 28, 2003 (the "Agreement").
- C. Under the Agreement, the Foundation is permitted to admit up to 480 members to the Palos Verdes Tennis Club. Paragraph 15 of the Concession Agreement establishes two categories of membership and provides a maximum number of non-resident/non-owner members that may be members and the circumstances under which such members may be admitted.
- D. On November 27, 2012, the Agreement was amended to increase by 15 memberships the maximum number of non-resident/non-owners from 120 to 135.
- E. The City and Foundation now mutually desire by this Second Amendment to the Agreement ("Amendment") to amend the terms of the Agreement to incrementally increase by 10 memberships the maximum number of non-resident/non-owners from 135 to 145.

**2. AMENDMENT.** In consideration of the foregoing, the Agreement is amended as follows:

- A. Subsections a.(3) (4) and (6) of Section 15 of the Concession Agreement, entitled "Membership Classifications," is hereby amended to read as follows:

"a.(3) The maximum number of Non-Resident/Non-owners who may be Active Members at any given time is one hundred forty five (145).

(4) Whenever there are fewer than four hundred (400) Active Members, the Foundation must first admit to Active Membership qualified Resident/Owner applicants, and then must admit to Active Membership Non-Resident/Non-Owner applicants, provided however, that in no event shall the number of Non-Resident/Non-Owners exceed one hundred forty-five (145), subject to the following:

- i. If at any time the Club is not at four hundred (400) Active Members and has achieved 135 Non-Resident/Non-owners members, an additional five (5) Non-Resident/Non-owners members shall be authorized after satisfaction of all the following: 1) mailing of an invitation to apply for Regular Membership to property owners who acquired ownership interest in property in the City within 6 months of the mailing; 2) mailing of an invitation to apply for Regular Membership to all residential property owners; and 3) a social media campaign to encourage residents and property owners to apply for Regular Membership; and 4) passage of 4 months from the date of mailings.
- ii. If at any time the Club is not at four hundred (400) Active Members and has achieved 140 Non-Resident/Non-owners members, an additional five (5) Non-Resident/Non-owners members shall be authorized after satisfaction of all the following: 1) mailing of an invitation to apply for Regular Membership to property owners who acquired ownership interest in property in the City within 6 months of the mailing; 2) mailing of an invitation to apply for Regular Membership to all residential property owners; and 3) a social media campaign to encourage residents and property owners to apply for Regular Membership; and 4) passage of 4 months from the date of mailings.

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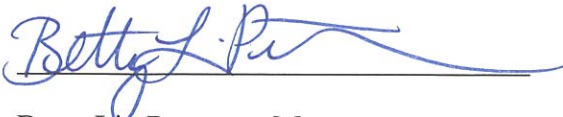
(6) Active Members who remain in good standing may maintain their Active Membership upon cessation of both residency and property ownership in the City, provided, however, that if the total number of Non-Resident/Non-Owner Active Members is one hundred forty five (145) at the time that a Resident/Owner Active Member ceases to qualify as such (i.e., because such person no longer resides or owns property in the City), then said Resident/Owner's Active Membership shall be terminated at that time."

**3. COUNTERPARTS.** This Amendment may be executed in any number or counterparts, each of which will be an original, but all of which together constitutes one instrument executed on the same date.

**4. LIMITED AMENDMENT.** Except as modified by this Amendment, all other terms and conditions of the Amended and Restated Agreement remain in full force and effect.

This Amendment is executed on and shall become effective this 11<sup>th</sup> day of December, 2018, at Palos Verdes Estates, California.

CITY OF PALOS VERDES ESTATES



Betty Lin Peterson, Mayor

ATTEST:



Lauren Pettit, City Clerk

APPROVED AS TO FORM:

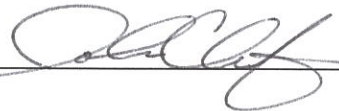


Christi Hogin, City Attorney

PALOS VERDES TENNIS FOUNDATION, a California nonprofit mutual benefit corporation

By:  1/2/19

Its: \_\_\_\_\_

By:  1/2/19

Its: \_\_\_\_\_